# RFP Modernization

Kelly Johnson, CITO
Kansas Department of Labor

# Modernization Process

- Previous administration started the process by visiting other states (unknown at this time).
- Agency engaged with NASWA as consultants as they had worked with other states in modernization.
- Kelly Johnson joined agency on 12/28/2020. At this time, there were competing priorities, so existing team continued work with limited CIO guidance.
- Approximately 2 FTE were working with internal departments for suggestions, ideas, and best practices.
- After the deployment of Okta / LexisNexis, focus returned to the modernization process. Using the suggestions from internal sources, NASWA, and prior visits, KDOL staff completed the questions and the RFP was released.
- Only KDOL staff, NASWA, and DofA procurement were engaged in the development, production, and release of the RFP.

# Priorities

- Successful deployment (as defined by the consumer) in at least one state
  - Vendor to provide references
- Five years in software development
  - Modern (common) programming language
  - Industry standard operating system
  - Client / Server Environment
- Primarily an off the shelf solution / limited customization required
- Ability to quickly deploy code enhancements & changes
  - Internally developed
  - Vendor outsourced development
  - Through reuse of other states code
- Dynamically scalable / Disaster Recovery
- State did not define hosting requirement (local, cloud, vendor)

# Priorities (pg 2)

- Modernized User Interface
  - Enhanced web portal
  - Mobile Engagement
  - Ability to Integrate with voice
  - Auto Attendant
- Security
  - Meets all State and Federal requirements (FIPS 140-2, IRS 1075, etc.)
  - Integrates with existing OKTA / LexisNexis Platform
  - Staff is limited to least access privilege
  - Full audit logs
- Enhanced reporting and analytics

# HB2196 Requirements

- Cross-matching of social security numbers with the Social Security Administration

  - Group 607 , Code 042, Met by Vendors A, B, and D.  Vendor C can do custom development to meet.

- Checking new hire records against the National Directory of New Hires;

  - Group 608 , Code 016, Met by Vendors D.  Vendor A, B, and C have logic for New Hires but do not mention National Directory of New Hires.

- Verification of citizenship or immigration status through the Systematic Alien Verification for Entitlements program;

  - Group 612 , Code 031, Met by Vendors A. Vendor B, C and D do not mention SAVE but have verification available in other manners.

- Comparison of applicant information with local, state, and federal prison databases;

  - Did not find requirement in RFP. (Through use of conduit with KDOC)

# HB2196 Requirements (pg 2)

- Use of the following to detect duplicate claims:
  - Interstate Connection Network;
  - Interstate Benefits Cross-Match;
  - State Identification Inquiry State Claims and Overpayment File; and
  - Interstate Benefits 8606 application for overpayment recoveries for claims filed in other states;   (completed through IDH with NSWA)
- Identification of IP addresses linked with multiple claims or claims filed outside the United States; and
  - Group 608 , Code 015, Met by Vendors A, B, C, and D as configurations
  - IPs identified as out of country are denied
- Use of data mining and analytics for fraud detection and prevention.
  - Multiple sections.  Met by Vendor A, B, C and D.

# RFP Groups

- 100 – Vendor
- 200 – Project Delivery
- 300 – Regulatory/Compliance
- 400 - Finance
- 500 - Technical
- 600 - Benefits
- 700 - Tax
- 800 - Appeals
- 900 -Legal

# Subject Matter Expertise (SME) Scoring

- SME received their section(s) of the RFP vendor responses.

- The SMEs were asked to score each section based on the RFP requirements.

- In addition, the SMEs also ranked the four vendors in order of preference.

- After scoring the responses, the SMEs selected the vendor they felt was the best match for their section.

- Any identifying information was removed from SME's workbooks.

# Group Scoring

| Group | Average of Vendor A % | Average of Vendor B % | Average of Vendor C % | Average of Vendor D % |
|---|---|---|---|---|
| 100 - Vendor | | | | |
| 200 – Project Delivery | 87.50 | 77.50 | 70.00 | 82.50 |
| 300 – Regulatory/Compliance | 96.67 | 91.67 | 64.33 | 91.67 |
| 400 - Finance | 70.82 | 72.87 | 73.79 | 68.41 |
| 500 - Technical | 83.33 | 46.33 | 79.00 | 49.00 |
| 600 - Benefits | 80.89 | 38.05 | 54.79 | 34.47 |
| 700 - Tax | | | | |
| 800 - Appeals | 75.46 | 64.80 | 61.09 | 64.42 |
| 900 - Legal | 69.74 | 69.85 | 74.06 | 68.56 |
| Grand Total | 78.45 | 57.17 | 63.71 | 55.35 |

# Scoring Results – Vendor Ranking

| Vendor | Ranking Average |
|--------|-----------------|
| B | 1.90 |
| A | 2.06 |
| D | 2.59 |
| C | 3.19 |

# Counsel Requested Metrics

| Rank | Code | Group | Item |
|------|------|-------|------|
| 1 | 505 | Technical | Security |
| 2 | 612 | Benefits | Fraud |
| 3 | 506 | Technical | System Capabilities |
| 3 | 101 | Vendor Req | Experience |
| 3 | 211 | Project Delivery | Implementation - Go Live |
| 6 | 609 | Benefits | Investigations |
| 7 | 604 | Benefits | Manage Claims |
| 8 | 608 | Benefits | Charges |
| 9 | 503 | Technical | Data |
| 9 | 700 | Tax | Tax - All/General |
| 11 | 610 | Benefits | Special Programs |
| 12 | 800 | Appeals | Appeals |
| 12 | 209 | Project Delivery | Migration/Conversion |
| 12 | 210 | Project Delivery | Training |
| 12 | 400 | Finance | Finance - All/General |

# SME Responses
# 505 – Technical Security

| Vendor A | Vendor B | Vendor C | Vendor D |
|---|---|---|---|
| 75 | 40 | 85 | 55 |

- Vendor A Pro:  Fully Cloud based in US.
- Vendor A Con:   The API - there are some very specific guidelines for having secure APIs and its not addressed here.
- Vendor B Con:  Does not provide much detail at all on many of the requirements other than a statement 'natively supports the requirement'.
- Vendor C Pro:  Zero-trust architecture.
- Vendor C Pro:  Good auditing features.
- Vendor D Pro:  Vendor has its own industry recognized security certification.
- Vendor D Con:  ID Proofing is an Optional add-on (cost).

# SME Responses
# 612 – Benefits Fraud

| Vendor A | Vendor B | Vendor C | Vendor D |
|---|---|---|---|
| 69.71 | 81.86 | 47.57 | 65.14 |

- Vendor A Pro:  While basic functionality is there, configuration will be needed if cases need prosecution.
- Vendor A Pro:  Has several metrics that SI will benefit from.
- Vendor B Pro:  Sets forth what modules they have to support the different UI processes needed, which. shows they have a plan.  In addition, appears minimal configuration needed for prosecution of cases.
- Vendor C Con:  Significant configuration and customization necessary to even perform basic tasks.
- Vendor D Con:  Does not provide much detail regarding how solution meets requirements.

# SME Responses
# 506 – Technical System Capabilities

| Vendor A | Vendor B | Vendor C | Vendor D |
|---|---|---|---|
| 95 | 99 | 82 | 92 |

- Vendor A Pro:  Cloud based
- Vendor A Pro:  Very detailed answers to the requirements
- Vendor B Pro:  Lengthy History
- Vendor C Con:  Very little out of box
- Vendor D Con:  A high number of custom developed work is needed to meet KDOL requirements.

# SME Responses
## 211 - Project Delivery Implementation Go Live

| Vendor A | Vendor B | Vendor C | Vendor D |
|---|---|---|---|
| 87.5 | 77.5 | 70 | 82.5 |

- Vendor A Pro:  Will follow the Hybrid Agile implementation methodology.
- Vendor B Pro:  Multiple years of experience implementing their software.
- Vendor D Pro:  Nice layout of each task and what it is going to involve.
- Vendor D Con:  Uses waterfall approach.

# SME Responses
# 609 – Benefits Investigations

| Vendor A | Vendor B | Vendor C | Vendor D |
|---|---|---|---|
| 85 | 0 | 50 | 0 |

- Vendor A Pro:  While basic functionality is there, configuration will be needed if cases need prosecution.
- Vendor A Pro:  Has several metrics that SI Will benefit from.
- Vendor B Pro:  Sets forth what modules they have to support the different UI processes needed, which shows they have a plan.  In addition, appears minimal configuration needed for prosecution of cases.
- Vendor C Con:  Significant configuration and customization necessary to even perform basic tasks.
- Vendor D Con:  Does not provide much detail regarding how solution meets requirements.

# SME Responses
## 604 – Benefits Manage Claims

| Vendor A | Vendor B | Vendor C | Vendor D |
|---|---|---|---|
| 85 | 0 | 50 | 0 |

# SME Responses
# 608 – Benefits Charges

| Vendor A | Vendor B | Vendor C | Vendor D |
|---|---|---|---|
| 85 | 0 | 50 | 0 |

# SME Responses
# 503 – Technical Data

| Vendor A | Vendor B | Vendor C | Vendor D |
|---|---|---|---|
| 95 | 99 | 82 | 92 |

- Vendor A Pro:  Cloud.
- Vendor A Pro:  Very detailed answers to the requirements.
- Vendor B Pro:  Lengthy History.
- Vendor C Con:  Very little out of box.
-  Vendor D Con:  A high number of custom developed work is needed to meet KDOL requirements.

# Timeline

| Task | Status | Start Date | End Date |
| --- | --- | --- | --- |
| RFP Released | Completed | 04/01/2020 | 05/28/2020 |
| RFP Responses Received | Completed | 5/28/2021 | N/A |
| Proposals Provided to KDOL IT | Completed | 6/15/2021 | N/A |
| Subject Matters Expertise Scored | Completed | 6/29/2021 | 07/06/2021 |
| Modernization Presentation | In – Progress | 07/13/2021 | 07/13/2021 |
| Call References | In – Progress | 7/05/2021 | 07/16/2021 |

# Next Steps

- Meet with SMEs to get opinions / concerns
- Vendor presentations with top two chosen
- PNC to provide DofA with Pro / Con, preliminary vendor choice
- DofA to provide pricing
- Vendor selection / Legislative approval / Funding
- Contract signed
- KDOL KPMO office to work with chosen vendor to complete KITO final project plan
- Work begins